

S E C R E T

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SOURCE

1. All factories in the telecommunications and metal industry in Poland were organized according to the Soviet system. The attached sketch Annex A shows the organizational structure of a hypothetical factory which might employ from 200 to 8,000 workers. According to the type of factory and the state of its development, some of the departments and sections might be differently manned and set up.

Position and Duties of the Factory Director and the Technical Director.

2. The head of the factory was the Factory Director (Dyrektor Naczelny) who was the factory representative to external government agencies. He was responsible for all factory activities, and all persons were subject to him except the Chief Accountant (Główny Księgowy), the Commandant of the Industrial Guards (Komendant Straży Fabrycznej), and the Director of the Cadres (Dyrektor Kadr). The incumbents of these three positions were only partially subject to the Factory Director. They were directly responsible to their respective higher authorities; namely, the Ministry of Finance (Ministerstwo Finansów) was the authority for the Chief Accountant, and the Public Security Office (Urząd Bezpieczeństwa - UB) was the authority for the Industrial Guards (Straz Przemysłowa) and for the Cadres. The position of Factory Director was sometimes filled by an inept, inexperienced man with limited education who was, however, an ardent member of the CP. I have never heard of a factory director who was not a member of the Party. There was a secret office controlled by the factory director in charge of all classified letters and documents.

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3. The factory director was assisted by the Chief Engineer or Technical Director (Główny Inżynier). In most cases the technical director was the actual head of the factory, especially if the factory director was not a qualified technical or administrative specialist. The various employees formally addressed the chief engineer as director. The chief engineer was the factory director's first deputy and was responsible only to him. A chief engineer must at least be a graduate of a technical institute. Both the factory director and the chief engineer directed the factory and were responsible for the completion of the plan of production and the efficient management of the factory. At the same time, they both were also responsible for the non-completion of the plan of production even to the extent of being responsible for the lack of materials for production, lack of machine tools, etc. As a result, these two positions were accepted only unwillingly and were therefore frequently vacant. The average length of time these positions were held was several months. The most common reason for discharge from these positions was inefficiency.

Detailed Organization and Description of Positions and Jobs

4. In addition to the directory positions as mentioned above, every factory had two main divisions: the Division of Administration (Dział Administracyjny Handlowy), and the Production Division (Dział Techniczny - Produkcyjny).
5. The Division of Administration included the following departments:
- Investments (Dział Inwestycyjny). The head of this department was the Director of Investments, who at the same time had the title of Second Deputy Director of the Factory (Drugi Zastępca Dyrektora Naczelnego). He was responsible for the acquisition of the appropriations which were necessary for plant expansion and plant equipment. These appropriations were in the form of bank credits.
 - Department of Management and Commerce (Dział Administracyjny Handlowy). This department included the General Office (Kancelaria Ogólna), Sales Department (Dział Zbytu), Supply Section (Dział Zaopatrzenia) and Section of General Maintenance (Dział Gospodarczy).
 - The Personnel Director (Dyrektor Kadr) was head of the Cadre Department (Wydział Kadr). This director was in charge of the Employment Office (Referat Zatrudnienia) and the Personnel Record Section (Referat Ewidencji). He not only hired people but he was also responsible for the preparation of personal political reports on each individual which were reviewed by the Security Police.
 - Accounting Department (Dział Księgowości) with the Chief Accountant (Główny Księgowy) in charge. In this department were included the sections of Bookkeeping, (Księgowosc), Wages (Referat Plac), Financial Planning (Planowanie Finansowe), and Stores (Magazyny). The chief accountant was responsible to the Ministry of Finance and no purchase could be made without the chief accountant's signature. The Financial Planning Section (Planowanie Finansowe) worked closely with the Planning Department. Usually, a quarterly financial plan was submitted to the National Bank describing the expenditures expected according to factory plans for the next quarter.
 - The Planning Department (Dział Planowania) concerned itself with the acquisition of materials and everything necessary for production. It determined when the necessary material should be on hand for completion of production. It submitted quarterly reports of execution of plans.

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- f. The Industrial Guards (Straz Przemyslowy) varied in number depending upon the size of the factory. The guards, usually armed with carbines and pistols, protected the factory. Men and women served as guards. The commandant of the industrial guard was controlled by the local security police and was only formally subordinate to the factory director.
6. Normally the number of employees engaged in the administration division of a factory was not supposed to exceed one-fifth of the total number of employees in the factory.
7. The Production Division (Dzial Techniczno Produkcyjny) was made up of rather small production departments and sections which usually varied in size according to their functions. The production division was controlled by the chief engineer who, in some cases, would decide on the hiring of certain individuals in this division. However, if the Director of the Cadres decided that the potential employee was a bad political risk, his opinion overruled the opinion of the chief engineer. The following heads and their departments made up the Production Division:
- a. The Chief of Production was concerned with the coordination of the means of production. In most cases, the man hired for this kind of job was at least an engineer with a university diploma. The chief of production normally assisted the chief engineer.
- b. The Chief Designer was responsible for designs of technical products which were to be manufactured according to the plan. The Designing Office (Biuro Konstrukcyjne) might include several junior and senior designers (Mlodzi i Starsi Konstruktorowie) who had engineering training. Also in the same office were draftsmen (Kreslarze). A technical library (Biblioteka Techniczna) was usually found in the designing office.
- c. The Maintenance Engineer (Glowny Mechanik) was responsible for the efficient and economic operation of the plant's mechanical equipment. He was also responsible for the repair of machine tools.
- d. Chief Electrician (Glowny Elektryk). This position was usually filled by an electrical engineer. In smaller factories, however, this position was not filled. The job of the chief electrician was to maintain economical operation of electrical wiring and other electrical installations.
- e. Chief of Mechanical Workshop (Kierownik Warsztatu Mechanicznego). There were one or more of these chiefs depending on the number of workshops in the factory. The chief's educational background was very limited, but he usually had long, practical, technical experience. His work consisted of dividing the workers into brigades or work groups, solving various workshop problems, and ascertaining that work methods conformed to the plan. These various work groups under the chief of the workshop could include the following; locksmith units (brygady slusarskie), lathe units (brygady tokarskie), grinders (brygady szlifierskie), welders (brygady spawalnicze), millers (brygady frezerskie). Each group was made up of between 5 and 25 people. The leader of the brigade was called a "brigadier" (brygadzysta). All the people in the brigade, including the machine operators and the brigadier, were classified as manual workers.
- f. Chief of Laboratory (Kierownik Laboratorium). There were one or more chiefs, depending on the number of laboratories. For example, there would be a laboratory chief in the Production Laboratory (Laboratorium Produkcyjne), Components Laboratory

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- (Laboratorium Polfabrykatow), Finished Goods Laboratory (Laboratorium Wyrobow Gotowych), Research Laboratory (Laboratorium Doswiadczalne), and the Auxiliary Laboratory (Laboratorium Pomocnicze). A laboratory chief was usually an engineer. In the laboratories there were such positions as Junior and Senior Designers who were also engineers and Junior and Senior Laboratory Technicians (Starsi i Mlodzi Laboranci) who had a technical school background. All laboratory workers were classified as office workers (pracownicy umyslowi).
- g. Chief of Assembly and Fitting Section (Kierownik Dzialu Montazowego). The finished product was assembled in this section. In electrotechnical, or radio and electronics factories, this department was divided into two sections; mechanical assembly and electrical assembly. The heads of these assembly departments were usually men with limited formal technical training but with much practical experience. Each chief had his own brigades. The workers in these brigades, including the brigade leader, were classified as manual workers.
- h. Chief of Production Control (Kierownik Kontroli Produkcji). The chief of this department was usually a graduate engineer. His principal duty was to take the finished component product or part, or the completed assembled unit, and check, by means of measuring instruments, whether these completed products had been produced according to specifications. The Production Control Department was divided into various sections such as mechanical control (kontrola mechaniczna), electrical control (kontrola elektryczna), components control (kontrola podzespolow), and finished products control (kontrola ostateczna). In many cases there were smaller sections for control of a product. Such products either components or complete units would be secondary products of the factory. In these cases a small control section checked the subsidiary products so as to avoid sending these products through the main channel of production and final control. The man in charge of a section of control was usually an engineer, while the workers under him were laboratory technicians. In the cases of mass production of component parts, young girls were very often used to check these finished parts. These girls were classified as manual workers.
- i. Chief of Toolshop (Kierownik Narzedziowni) - This chief usually had little technical education but much practical experience. His principal job was to oversee the production and maintenance of necessary tools, stamps, and dies necessary for production. In many cases a great percentage of the stamps or the plastic "forms" were ordered from other factories, even though stamps and forms were produced in the factory in question. This man was also in charge of a tool lending shop (wypożyczalnia narzedzi) which had in stock the more expensive and rarer type tools. These tools were lent to workers against a signed receipt. He was also responsible for the serviceable condition of the tools. He had several people under him classified as manual workers whose job was to make some of these tools. These tools were often made in the factory's mechanical workshop, but in larger factories these tools were made in a separate mechanical workshop equipped with machine tools, hardening ovens, etc.
- j. Instrument Lending Shop (Wypożyczalnia Przyrzadow). Several people were employed here to maintain and repair equipment. This equipment was lent out and signed for by the users. This equipment might be production control equipment such as measuring or tuning instruments. Generally this lending section was not up to par because the men assigned to work in

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this section often had limited technical education, and as a result the instruments were not maintained in an accurate or efficient state.

- k. Calculator of Norms (Referat Normowania). This computer kept a record of all work completed by workers on a time and unit basis. From this record, which was forwarded to the wages section of the accounting department, the wages of the workers were determined on a "piece work" basis.
 - l. Section of Hygiene and Safety (Referat Hygieny i Bezpieczeństwa Pracy). This section was concerned with hygiene and safety conditions in the factory. For example, he saw to it that housings were supplied to exposed machines, that the ventilation was satisfactory, or that milk was distributed to workers who worked with lead, acid, or lacquer.
 - m. Besides the above mentioned departments, a factory might have auxiliary workshops, such as a transformer and coil winding room, lacquer room, Bakelite pressing room, galvanizing section, or a wood workshop.
 - n. Vocational Training (Sekcja Szkolenia Zawodowego). This section was not present in all factories. If it consisted of a technical school, the course often lasted as long as three years. At the end of this time, students received a technical certificate. This technical training might also be given in the form of courses without any definite school-like plan. The pupils were employed in the factory for 28 hours weekly only and the remaining 18 hours were used for training.
 - o. There was also usually a Development Section (Sekcja Racjonalizacji i Usprawnien) to which workers submitted ideas on new developments. This section gave monetary rewards for such ideas.
8. Besides the above-mentioned departments in the production and administration divisions there were also the following social organizations within the factory:
- a. Basic Party Cell (Podstawowa Organizacja Partyjna - POP). Headed by a secretary and his assistant, POP organization saw to it that the Party line was followed and that the factory's plan of production was achieved. The POP acted in an advisory capacity at the factory. The POP was obliged to write a monthly report for the local CP office. POP was in charge of factory decorations for political celebrations; it was also responsible for the political education of factory Party members. Often, but not always, POP took part in factory conferences. Its voice was usually only advisory, while the deciding voice was the factory director's.
 - b. Union of Polish Youth (Związek Młodzieży Polskiej - ZMP). Its purposes were similar to POP's but it concerned itself with the young workers.
 - c. Women's League (Liga Kobiet). This was political organization which had very little political meaning. It concerned itself with women workers, but the meetings of this organization were very few in number.
 - d. Polish-Russian Friendship Society (Towarzystwo Przyjazzi Polsko-Radzieckiej). This was a "paper" organization. Its activities were limited to the paying of fees and the publishing of Soviet exploits or discoveries (which were always exaggerated) in order to promote Polish-Russian friendship.

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- e. Workers' Council (Rada Zakladowatrz-RZ). This was made up of workers employed in the factory. It was the factory representative of a trade union. Once a year the workers voted fellow workers into council positions. In theory, the purpose of the RZ was to protect the worker, but in reality, it concerned itself with obtaining tickets to the movies or theaters, the arranging of reservations at state summer resorts, and the arranging of various forms of recreation. Its only right was to question the discharge of any employee except employees holding directors' positions.

Hiring Procedures

9. As a rule no factory in Poland was free to hire personnel at will. The number of employees and manual workers was established in the organizational set-up and in accordance with the plan of production. Normally, a factory in need of workers submitted an application to the local state employment office specifying according to its approved plan the number of workers needed and the skills and qualifications they must have. Very often the factory placed an advertisement in the classified section of the local paper. If the demand for workers increased, ~~at the~~ factories, especially small ones, had to apply through channels to their central administration, to their respective ~~ministry~~ or even to the State Commission for Economic Planning ^{50X1} for a special consignment of people for designated periods of employment, i.e. one year or more. This application, approved by the superior echelons of administration and in some cases by the State Commission for Economic Planning, had to be submitted to the employment office.
10. Every job applicant, whether white collar worker or manual worker, had to apply to the state employment office. After he had registered with the employment office, he was not allowed to choose his employer even if he had received beforehand a promise of employment by some firm, but was assigned a job by the employment office. The prospective employee had no other choice. As a rule, the applicants were sent to big enterprises which had priority for the assignment of personnel.
11. After an applicant had been assigned to a factory by the employment office he was interviewed by the factory's personnel office. He had to submit to the cadre office (called Personalny in colloquial Polish) his application for the job, with biographical data and certificates from former places of employment, or in place of the latter, a school certificate and two photographs. He also had to fill out an eight-page questionnaire in which he had to describe, among other details, his personal background, the life of his parents, his wife's parents, children, relatives, etc. The director of the cadre office, after checking with the applicant's former record and checking the applicant's political reliability, submitted all the documents to the director of the factory. Following the check and approval of the director, who, in reviewing the case of a skilled worker or engineer would also have to clear with the technical director or chief of a section where the applicant would be assigned, the applicant was hired on a probationary basis. The probationary period for a white collar worker was three months and for a manual worker two weeks. During this period either party could dissolve the work contract; the white collar worker after two weeks' notice, and the manual worker at any time. The periods of notice of dissolution of contract remained in effect even after the probationary period. Besides this system there was also a system of contracts for specified work or periods of employment, which was used for seasonal employment.
12. In some cases, a small enterprise or factory could hire a man who was already employed elsewhere. It had to be done by a secret

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agreement with the individual concerned. The man had to give notice to his employer and register with the state employment office. The factory interested in employing the man could arrange the transfer through its contacts and acquaintances in the employment office. Very often it was necessary to use some kind of ruse to accomplish this, such as having the factory request some kind of a special skilled job not commonly known. The man registering with the state employment office would list his special skill in accordance with the request of the factory. Therefore, it was possible for the state employment office to assign the man to the new factory in this special job without any difficulty.

Establishment of Wage Scales

13. The system of wage scales was very complicated in Poland. Almost every ministry had its own wage scale and those scales were constantly undergoing changes. The scale of pay was established for every employee either according to the organizational set up of the factory by established norms for the specific job or position, or finally, by the decision of the director.
14. All employees were divided into two categories:
- a. Intellectual Employees (Pracownicy Umyslowi), composed of persons with advanced education and of white collar workers.
 - b. Manual Workers (Pracownicy Fizyczni). All intellectual employees and manual workers received a basic monthly salary or wage and in addition they received bonuses which were paid on different scales. For failure to fulfill the plan there was a 10% cut in bonus for every one per cent under 100 %. Because there was no limitation to cutting the bonus in case of non-fulfillment of a plan, the employees very often received their base pay only.
15. The bonuses were paid in the following way:
- For each one per cent of fulfillment over 100 % of a plan the bonus was paid as follows:
- Plus 10% of the base pay at 100% bonus category /as shown in para. 16/
Plus 7½% of the base pay at 75% bonus category
Plus 6% of the base pay at 60% bonus category
- The bonus, however, could not exceed 150% of the base pay for the 100% category. Therefore, it did not pay to fulfill the plan over 105%. For this reason also, it was very rare to read or to hear of a report that a plan had been fulfilled over 105%. The system was used mostly in the first category factories. (Factories were roughly designated as first, second, or third category according to their size and importance.) In second and third category factories there were very often deviations from the system mostly with the tendency to lower the premium sometimes to as low as 40%.
16. For the intellectual employees the following 16-group scale was in operation (approximate figures only):

Group	Monthly Base Pay in Zloty	Bonus at 100% Fulfillment of a Plan		Positions Roughly Indi- cated in Factory Categories		
		FACTORY CATEGORIES		I	II	III
		I	II and III			
16	1,700	100%	----	} Factory Director		

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Group	Monthly Base Pay in Zloty	Bonus at 100% Fulfillment of a Plan		Positions Roughly Indicated in Factory Categories				
		FACTORY CATEGORIES		I	II	III		
15	1,500	100%	75%	Technical and Other Directors	Factory Director	Factory Director		
14	1,300	100%	75%		Technical and Other Directors	Technical and Other Directors		
13	1,170	75%	75%	Department Chiefs and Senior Designers	Department Chiefs and Senior Designers	Department Chiefs and Senior Designers		
12	1,070	75%	75%					
11	990	75%	60%					
10	910	60%	60%	Other White Collar Employees				
9	830	60%	60%					
8	760	60%	60%					
7	680	60%	60%					
6	600	60%	60%					
5	520	60%	60%					
4	480	60%	60%					
3	440	60%	60%					
2	400	60%	60%					
1	360	60%	60%					

The wages shown above were increased by 10 to 25% in January 1953; those in the lower groups received the most benefit. The last change was made in the summer of 1953 and in this case each one of the above 16 groups was broken into sub-groups. For instance, the 15th group had four classes with a salary of about 1,350, 1,400, 1,450, and 1,500 zloty. This change was made to allow for promotions within a group.

17. The Laboratory for Prototypes of Electrical Measuring Devices (Pracownia Prototypow Aparatow Elektrycznych Politechniki Wroclawskiej -- PPAE) employed about 130 workers, 50% of whom were included in the intellectual employee category. About 17% of the employees held administrative jobs. Because of the very special type of production involved, this factory paid its employees the highest possible scale of salaries and wages, which were approximately as follows:

White Collar Employees Monthly
Technical Director Group 15 plus 100% bonus received about 3,000 zl.
Management Director Group 14 plus 100% bonus received about 2,600 zl.

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White Collar EmployeesMonthly

Chief, Electrical Section	Group 14 plus 100% bonus received about 2,600 zl.
Chief, Mechanical Section	Group 14 plus 100% bonus received about 2,600 zl.
Chief, Mechanical Workshop	Group 11 plus 75% bonus received about 1,700 zl.
Laboratory Employee	Group 7 plus 60% bonus received about 1,100 zl.

Manual Workers

Brigadiers	Group 9 plus 20% plus 140% bonus about 1,500 zl.
Lathe Operator	Group 8 plus 10% plus 100% bonus about 1,200 zl.
Locksmith	Group 8 plus 10% plus 100% bonus about 1,200 zl.
Helpers, boys	Group 4 plus 60-80% bonus about 450 zl.
Charwomen	about 300 - 400 zl.

18. The manual workers were paid according to two main wage systems:

- (a) Hourly wage system (Placa Godzinowa)
- (b) Contract wage system (Placa Akordowa)

The hourly system, which was rarely used, only when there was no possibility of applying the contract system, employed a nine-group wage scale. The hourly pay ranged from about 1.40 zloty in the first group to about 4.50 zloty per hour in the ninth group. This pay included various bonuses, premiums, etc. In addition to this basic pay, a bonus for fulfillment of a plan was also paid. Brigadiers received an additional 20% of the basic pay and workers engaged in difficult and dangerous jobs (those working with lead, acid, varnish, etc.) received about 10%.

19. Pay, under the contract system, was determined according to the amount of work performed (piece work) or operations executed, in accordance with the norms established by the factory calculator and according to the mass production system currently in use. The amount of pay received was close to that received under the hourly wage system although the contract wage system gave, in most cases, the opportunity to earn more money than the hourly wage system. An able skilled worker (lathe operator, locksmith) was able to earn from 1,500 to 2,000 zloty monthly and sometimes more. The lowest group was that of unskilled workers (boys and girls who earned from 200 to 300 zloty monthly).
20. The contract system was also used as an incentive to finish a particular piece of construction in a very short time, as seen in Warsaw for example: the MDM residential district and the bridge over the Vistula River. These were always short-term projects in which the government used the system for propaganda purposes. In such cases some "leading workers" (przodownicy pracy) earned as much as 5,000 to 7,000 zloty monthly.

Time and Motion Studies (Studia Wydajnosci)

21. [redacted] any type of time and motion studies. It is possible that these studies can be conducted in some factories, such as those involved in heavy industry. [redacted] the norms used in heavy industry and in mines were based on the Soviet

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system. In such factories as precision instruments factories, electrical products factories, and radio factories, the determining of the norm was usually based on previous work and production experience in these factories.

Role of the Workers in Factory Decision-Making.

22. Basically, the workers did not have any influence on the direction and plans of factories. [redacted] a factory official asking for the workers' opinion with regard to the plan or other questions. The workers could only give their opinions at so called production meetings (narady wytworcze) which took place about once a month. At these meetings certain subjects were touched upon, such as production difficulties in the factory, problems of tooling and retooling, the acquisition of materials of production, workers' problems, such as the laundry's taking too long over the washing of work clothes, or workers' relations with one another. Sometimes there was review of developments and new ideas to improve the processes of production. However, these suggestions rarely, if ever, had any constructive value. It was not possible for the workers to have any influence toward lowering of the plan of production, because if a man were to advocate such a policy he would show himself to be unfriendly toward the Communist system. Likewise, it was not possible for a worker to have any influence on the quality or quantity of the production of an article. The workers had only one undeniable right; the right to praise all the directives of the regime and above all to praise the USSR and her progress. In addition, the workers could concern themselves with exceeding the norm of production or they could challenge another factory to competition in production.

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External Relationship of the Factory

23. Every factory was subject to a Central Administration (Centralny Zarzad) whose directives in regard to plans and production were applied to the factory. (Each ministry had several central Administrations, each controlling a group or category of factories)¹. Factory representatives often consulted with their ministry or with the State Commission for Economic Planning. The factory representative was usually the factory director, but often, for business outside the factory, such as with the Central Administration, the chief engineer would substitute for the factory director. In other factory business the responsible directors or heads of departments would be the representatives. The major factory decisions concerning administration, production, personnel, supply, etc., were made by the Central Administration. The transferring of personnel from one factory to another -- this included personnel in all positions -- occurred very rarely. There was, however, a rather free exchange of machines and materials between factories. Despite the fact that there may be rules against factory exchanges, particularly the exchange of materials, this exchange of materials did exist in order to meet the norms of production and thereby assure the employees their earnings. The PKPG acted as an economic authority for materials and equipment of production. For example, no factory was supposed to have more than a three-month supply of materials for production. Any factory which found itself with an excess of materials was required to report this to the central administration. If the central administration did not have a factory within its jurisdiction that could use this material, the central administration had to report this excess of material to the Ministry of Machine Industry, which would decide its disposition. This also applied to machines and sundry equipment.
24. All the production of factories had to be sold through a state enterprise called the Commercial Center (Centrala Handlowa).

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Likewise no factory could negotiate contracts or conclude the purchases directly with other factories or businesses, but had first to go through the Commercial Center. The Commercial Center contracted for purchases and sales and concerned itself with the usual terms and conditions of payments, delivery dates, and terminations and violations of contract. [redacted] never heard of a penalty administered by the Commercial Center for violations of terms of contract. [redacted]

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[redacted] not able to meet the contracted delivery date; delivery was six months late. There was no penalty for this late delivery, however, even though the contract stated that one tenth of one per cent would be deducted from the selling price for each day that delivery was behind schedule.

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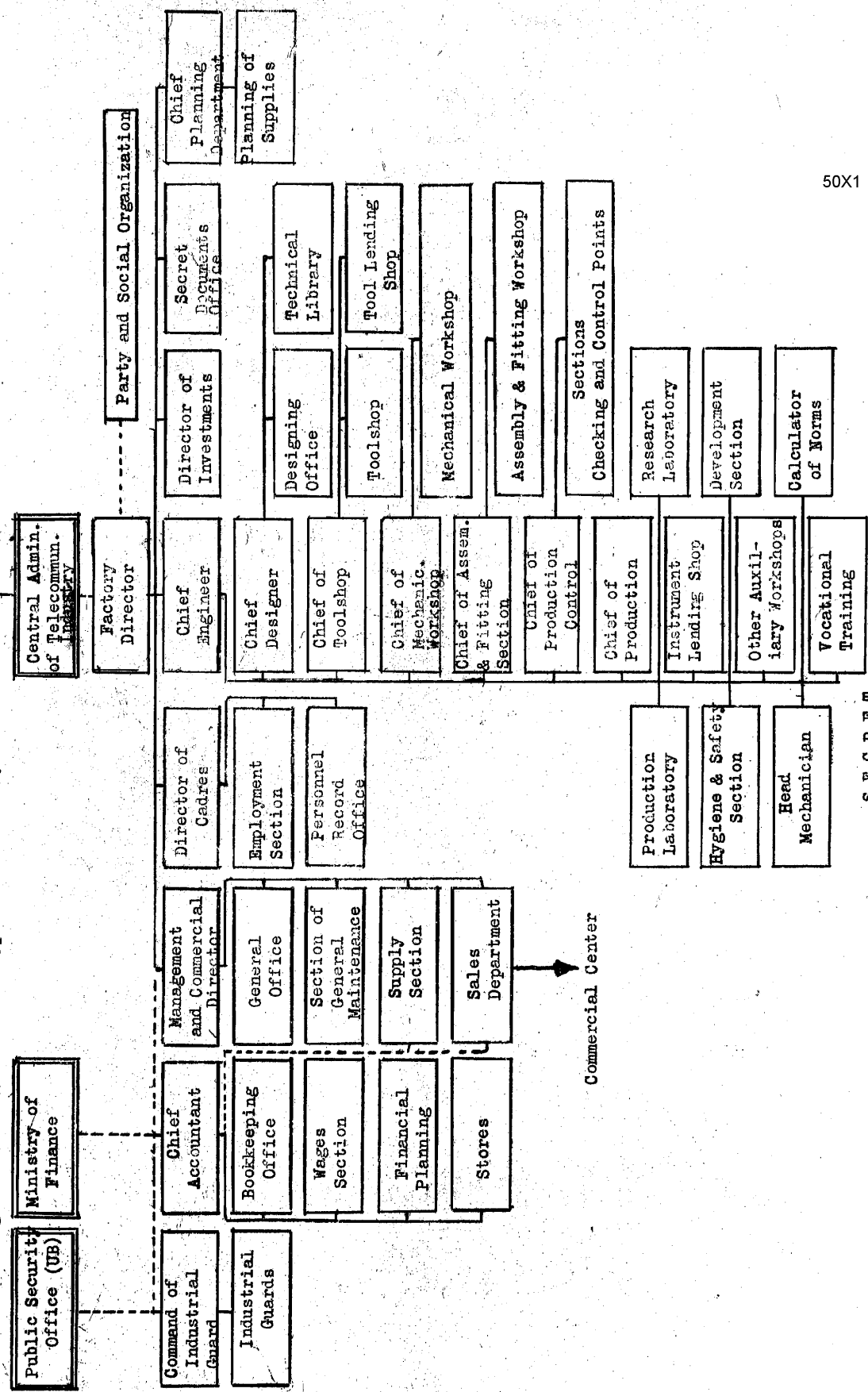
1. [redacted] Comment: In the telephone directory, Warsaw 1952, 21 different central administrations were listed under the Ministry of Machine Industry.

Annex:**Sketch of Organizational Structure of Hypothetical Factory****S E C R E T**

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Ministry of
Machine Industry

Sketch of Organizational Structure of Hypothetical Factory



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Commercial Center